GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:819
ANSWERED ON:04.03.2005
TASK FORCE FOR COOPERATIVE BANKING SYSTEM
Ramadass Prof. M

Will the Minister of FINANCE be pleased to state:

(a) whether the Task Force set up to examine the reforms required in the cooperative banking system has submitted its report;

(b) if so, the salient recommendations made by the Task Force to restructure the cooperative banking system;

(c) whether the Government proposes to implement the action plan suggested by the Task Force; and

(d) if so, the details thereof and the time by which it is likely to be implemented ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a): The Task .Force constituted by the Government under the Chairmanship of Prof.

A. Vaidyanathan to examine the reforms required in the co-operative banking system has submitted its Report on 15th February, 2005.

(b): The Task Force has recommended a financial package of Rs. 14,839 crore for the credit co-operative institutions. The package covers accumulated losses, unpaid invoked guarantees, receivables from State Governments, return of share capital to State Governments, Human Resources Development, conduct of special audits, computerization, implementation costs etc. Provision of financial assistance is linked to reforms in co-operative sector.

(c)and (d): Recommendations of the Task Force has been accepted by the Government in principle for implementation.